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INFO RUCNCCAN/ALL CANADIAN POSTS COLLECTIVE
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RUEHII/VIENNA IAEA POSTS COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 2261
RHEBAAA/DEPT OF ENERGY WASHDC
RUEHUNV/USMISSION UNVIE VIENNA 0047
RUEATRS/DEPT OF TREASURY WASH DC
RUEHNO/USMISSION USNATO 0947

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SIPDIS

STATE FOR ISN/CPI, ISN/IO, T, AND NEA/IR

E.O. 12958: DECL: 09/19/2018

TAGS: [PREL](#) [EFIN](#) [KNNP](#) [PARM](#) [PINR](#) [IR](#) [XS](#) [CH](#) [CA](#)

SUBJECT: CANADIANS CONSIDERING U.S. IDEAS, INITIATIVES ON IRAN NON-PROLIFERATION

REF: A. STATE 99000

[¶](#)B. STATE 97505

Classified By: PolMinCouns Scott Bellard, reasons 1.4 (b) and (d)

[¶](#)1. (S/Rel CAN) Summary: Canadian officials are studying ref a demarche on engaging China on proliferation-related trade with Iran, but warn that Canadian action could be slowed by the government's current pre-election caretaker status. Officials expressed appreciation for ref b ideas for blocking Iranian trade, and will take them into account as the inter-agency process reviews and reinvigorates Canada's non-proliferation regime over the next six months. Canadian officials would appreciate even more interaction with U.S. officials regarding additional ways to increase pressure on the Iranians. End summary.

[¶](#)2. (S/Rel CAN) Department of Foreign Affairs and International Trade (DFAIT) Deputy Director for Non-Proliferation Shawn Caza and Senior Non-Proliferation Advisor (Iran) Che van Haastrecht expressed appreciation for ref a demarche and ref b paper. Noting that the current pre-election caretaker status had dramatically slowed the wheels of government and would continue to do so until the results of the October 14 election were clear, Caza nonetheless promised pol/miloff and econoffs that he would circulate ref a points within DFAIT and report back soonest. Econoff separately shared ref a points with Department of Finance Senior Economist Robert Sample, who similarly promised to provide comments to Embassy Ottawa at a later date directly or via DFAIT.

[¶](#)3. (C/ Rel CAN) Caza commented that reftels' points were particularly well timed, coming just a few days before one of a series of previously scheduled inter-agency meetings to "reinvigorate" Canada's non-proliferation regime. At this point, he said, the focus is on enforcement issues and the movement of goods and people. Caza predicted that the meetings would generate a range of non-proliferation topics and policy options to present to senior officials for approval by the end of 2008. After expected approval by senior officials, Caza and his inter-agency working-level colleagues plan to spend the first few months of 2009 writing a broad non-proliferation strategy for submission to Cabinet for final approval.

[¶](#)4. (S/Rel CAN) Turning to the details of ref b, Caza called the U.S. proposals "interesting and helpful". Van Haastrecht agreed that the U.S. ideas on catch-all controls were particularly useful, but held out little hope of getting senior officials to sign up to having the government publish

a list of suspicious end-users. Instead, Caza said, DFAIT would probably recommend developing sectoral suspicious end-user lists to share with the inter-agency and privately with industry. Caza similarly labeled ref b points on Iran-specific list-based controls "interesting and good idea," with the potential to take Canada beyond its current area controls list. He noted, however, that only a constitutional change would enable the Canadian government to issue U.S.-style executive orders, so there was "no point" going in pursuing that approach.

¶ 5. (S/Rel CAN) Caza added that DFAIT also would appreciate U.S. thinking on ways to increase pressure on the Iranians in other areas related to non-proliferation. There are no easy answers, he remarked, commenting that Russia's "new attitude" will likely make non-proliferation problems even more complex in the future. Caza promised to give emboffs a briefing on likely improvements to Canada's non-pro regime near the end of 2008, shortly before the next scheduled quadripartite meeting on non-proliferation (septel).

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